



DEPARTMENT OF THE NAVY  
COMMANDER AMPHIBIOUS GROUP THREE  
NAVAL STATION BOX 368201  
3985 CUMMINGS ROAD, SUITE 4  
SAN DIEGO, CALIFORNIA 92136-5289

COMPHIBGRUTHREEINST 4200.94A

NOV 21 2006

COMPHIBGRU THREE INSTRUCTION 4200.94A

Subj: INTERNAL OPERATING PROCEDURES (IOP) FOR THE USE OF COMPHIBGRU  
THREE'S GOVERNMENT-WIDE COMMERCIAL PURCHASE CARD PROGRAM

Ref: (a) NAVSUPINST 4200.99

Encl: (1) Cardholder Credit Card Purchase log  
(2) Sample Appointment Letter of Agency Program Coordinator  
(3) Sample Delegation of Authority of Approving Official  
(4) Sample Delegation of Authority of Cardholder  
(5) List of items requiring Special Attention  
(6) Credit Card Purchase Request Form

1. Purpose. To promulgate procedures governing the use of COMPHIBGRU THREE's Government-Wide Commercial Purchase Card as a method of procurement for purchases at or below \$2,500.00.

2. Introduction. The Department of the Navy (DON) has issued a Task Order (#0003) under the General Services Administration (GSA) SMARTPAY Contract (#GS-23F-98006) to obtain purchase card services from CITIBANK. This instruction provides guidance on the appropriate use of the purchase card by authorized COMPHIBGRU THREE personnel.

3. Cancellation. COMPHIBGRUTHREEINST 4200.94

4. Policy. The command's Supply Department is to use the Government-wide Commercial Purchase Card for purchases not to exceed \$2,500.00. The Supply Officer shall manage the Government-wide Commercial Purchase Card Program and ensure that all transactions comply with these procedures, NAVSUPINST 4200.99 series, and any other applicable internal regulations.

5. Definitions.

a. Agency Program Coordinator (APC). The individual designated by the Commanding Officer who shall have overall responsibility for the management, administration and day-to-day operations of the purchase card program.

b. Approving Official (AO). The AO is responsible for reviewing and verifying the monthly purchase card statements of the cardholders under his/her purview. The AO must verify that all purchases were necessary and for official government purposes in accordance with applicable directives. Unless otherwise specified, the AO must also be the Certifying Officer for his/her cardholders and in that capacity must certify the monthly billing statement and forward it to the appropriate office for payment.

c. Billing Cycle. The billing cycle is the 30-day billing period during which cardholders may use their purchase card. For DON, the billing cycle ends on the 21st of the month.

NOV 21 2006

d. Billing Cycle Purchase Limit. The spending limit assigned each cardholder's cumulative purchases and transactions within a given billing cycle.

e. Bulk funding. An advance reservation of funds where a commitment or obligation is recorded in the aggregate rather than by individual transactions.

f. Cardholder. Any Government employee who is designated by the HA or designee to be issued a purchase card or purchase card account. The purchase card bears the name/account number of this individual.

g. Commonly Used Hazardous Materials (HAZMAT). For the purpose of this instruction, commonly used HAZMAT means hazardous materials or products that are customarily sold to the general public to be used for non-governmental purposes (commercial products) which are in the same size and packaging found commercially and subject to procedures found later in this instruction. Examples of those materials or products include those required on a routine basis to meet daily operational needs; such as, lubricants, batteries, toner cartridges, detergents, etc.

h. Contracting Officer. Government employees who have the authority to bind the Government to the extent of their delegated purchasing authority. Purchase cardholders are provided that authority by their Commanding Officer or APC in writing by the issuance of a Letter of Delegation or SF 1402 Contracting Officer's Warrant.

i. Credit Limit. The maximum dollar threshold, assigned at the AO/billing level, limiting the amount an account can have outstanding at any one time. The bank automatically sets the amount at three times the corresponding billing account 30-day limit.

j. Disputes. Instances where transactions on the cardholder's statement do not agree with entries in the log or retained receipts. This may include circumstances where the cardholder did not make the transaction, the amount of the transaction is incorrect or the quality or service is an issue.

k. HCA. The official at one of the 23 DON components listed at DFARS 202.101 and NAPS 5202.101 (e.g. COMNAVSUPSYSCOM, COMNAVAIRSYSCOM, etc.) who has overall responsibility for managing contracting authority within his/her contracting chain of command. They are responsible for the delegation, re-delegation and use of contracting authority including use of the purchase card by DON commands, DON activities and DON personnel under his/her contracting cognizance.

l. HA. For the purposes of this instruction, the HA is the military officer in command or the civilian executive in charge of the mission of a DON command or activity which has been granted contracting authority by the cognizant HCA. The HA has overall responsibility for managing the delegation and use of this authority by personnel under his/her command.

m. Purchase Card. The purchase card is the credit-card like purchase account established with the bank that enables properly authorized Government personnel to buy and pay for supplies and services in support of official Government business.

n. Purchase Card Log. A manual or automated log in which the cardholder documents screening for mandatory government sources and individual transactions using the purchase card. Entries in the purchase card log should be supported by

internal command documentation (i.e. request for procurement document, requisition, etc.). The purchase card documentation should provide an audit trail supporting the decision to use the card and any required special approvals that were obtained.

o. Merchant Category Code (MCC). A four-digit code assigned to a participating purchase card vendor based on their industry classification. APCs can limit cardholder transactions by type of merchant by blocking out certain categories of vendors for use by activity cardholders.

p. Monthly Cardholders Statement. The statement of charges forwarded to the cardholder at the end of the billing cycle detailing all of the charges during that period.

q. Monthly Billing Statement. The monthly billing statement is the official invoice for payment purposes which is provided to the AO. The billing statement identifies all of the purchase card transactions of his/her cardholders during a billing cycle.

r. Services. For the purposes of this instruction, services are firm-fixed priced (including un-priced orders with an established ceiling) non-personal, commercially available requirements in which the Government directly engages the time and effort of a contractor to perform a task (e.g. repairs, maintenance, annual maintenance agreements, etc.).

s. Single Purchase Limit. The dollar threshold assigned to each cardholder for a single transaction.

t. Reconciliation. The process by which the cardholder and AO review the monthly statements, reconcile against available vendor receipts and purchase card log and authorize payment of those charges provided on the monthly billing/cardholder statements.

u. Transaction Type. The transaction type is the method by which an order is placed when using the purchase card. Purchase card buys may be made over-the-counter, over-the-phone or via the internet.

6. Designation of Offices under the Purchase Card Program.

a. Purchase Card Contractor. CITIBANK Government Purchase Card will appear on forms and cards provided by CITIBANK. CITIBANK is the contractor who will maintain all Government-wide Commercial Purchase Card accounts, issue cards to cardholders, send monthly statements to cardholders and Approving Officials (AO), and provide various reports to the Agency Program Coordinator (APC) and Assistant APC.

(1) COMPHIBGRU THREE APC is the Supply Officer.

(2) COMPHIBGRU THREE Assistant APC will be appointed by the APC.

c. Approving Official/Certifying Officer. The AO is responsible for reviewing the cardholder's monthly statement of account to ensure purchases are made as per the Federal Acquisition Regulations (FAR) and U.S. Navy regulations. In addition, the AO is the Certifying Officer for the Cardholder's monthly invoice. The AO/Certifying Officer is responsible for ensuring that all purchases made by the cardholders within their cognizance were appropriate and the charges accurate. He/She must resolve all questionable purchases with the cardholder. In the event

**NOV 21 2006**

an unauthorized purchase is detected, the AO must notify the APC and other appropriate personnel within the command in accordance with the command IOP. The AO shall enforce administrative and disciplinary procedures for misuse of the card as per these procedures. They must also receive a delegation of authority (enclosure 3) signed by HA. The AO will normally be the cardholder's immediate supervisor.

(1) COMPHIBGRU THREE Approving Official/Certifying Officer will be the Assistant Supply Officer or designated appointee.

(2) COMPHIBGRU THREE Assistant Approving Official/Certifying Officer will be appointed by the APC.

d. Cardholder. The cardholder is the individual to whom a card is issued. The card bears the individual's name and shall only be used by the individual to pay for authorized U.S. Government purchases. Prior to making purchases, the cardholder must receive a delegation of authority (enclosure 4) signed by HA. This delegation will specify the single purchase limit, the billing cycle purchase limit and the transaction types authorized (over-the-counter and/or by telephone).

e. Dispute Office Contact. The Dispute Office Contact coordinates, processes, and monitors all disputed purchases, credits or billing errors.

(1) COMPHIBGRU THREE Disputes Office Contact will be appointed by the APC.

f. Designated Billing Office. The Designated Billing Office for COMPHIBGRU THREE is DFAS OPLOC, San Diego. The address is:

Supply Officer  
Commander Amphibious Group THREE  
3985 Cummings Rd, Suite 4  
San Diego CA 92136-5289

g. Comptroller. The Comptroller is the person responsible for managing command funding. He/She will ensure the funds approval process is streamlined to the maximum extent practicable. In addition, he/she must establish account limits for the AOs.

(1) COMPHIBGRU THREE Comptroller is the Supply Officer.

## 7. Establishing Local Accounts.

a. The APC is the command POC for establishing purchase card accounts. The APC or Assistant APC shall submit the completed forms to CITIBANK for processing. The card will be mailed to the cardholder within 5 working days after the application is received by CITIBANK (2 working days if sent electronically). Upon receipt of the card, the cardholder must call a 1-800 telephone number at CITIBANK to activate the card.

(1) Prior to establishing purchase card accounts for local command personnel, the APC will ensure that the prospective cardholder has received the proper training in:

(a) Standards of Conduct.

(b) DAU DoD Government Purchase Card Course (CLG001).

(c) DON purchase card training (CD-ROM/classroom training, etc.).

(d) Internal Operating Procedures Program

(2) Personnel wishing to become cardholders shall:

(a) Provide a request to the APC (identifying any required account limits).

(b) Attend DON required training including training on local procedures (Contact APC for internal training requirements).

(c) Obtain a letter of Delegation or Contracting Officer's warrant (SF 1402) from the APC.

b. Cardholder Account Limits. Use of the credit card by COMPHIBGRU THREE cardholders is subject to a single purchase limit (normally \$2,500.00, but can be \$25,000.00 for OVERSEAS purchases/payments ONLY), a monthly cardholder limit, and a monthly office limit. The purpose of these dollar limits is as follows:

(1) Single Purchase Limit. The single purchase limit is a limitation of the purchase authority delegated to COMPHIBGRU THREE by TYCOM. This dollar limit cannot be exceeded (currently \$2,500.00 for CONUS purchases/payments or \$25,000.00 for OVERSEAS purchases/payments ONLY) unless a revised delegation of authority is issued by TYCOM raising the limit. Single purchase limits may be assigned to cardholders in \$50 increments.

(2) Billing Cycle Purchase Limit. The billing cycle cardholder limit is a spending limit assigned to each cardholder. The total dollar value of purchases when using the card for any 30 day billing cycle shall not exceed the billing cycle purchase limit set for the cardholder. Limits may be assigned to cardholders in \$100 increments up to \$25,000.00. There are procedures in place with CITIBANK to increase this amount, if needed.

(3) Billing Cycle Office Limit. The monthly office limit is a budgetary limit established by COMPHIBGRU THREE for each AO. The limit established shall not exceed the sum of the AO's cardholder's monthly purchase limits and should reflect spending history as well as budgetary trends. Monthly office limits may be assigned in \$100 increments up to \$100,000. There are procedures in place with CITIBANK to increase this limit, if needed.

#### 8. Internal Processes.

a. Purchase Request Process. COMPHIBGRU THREE cardholders shall ensure that sufficient funds are committed by the financial manager and available to meet the requirement of the purchase card transaction.

b. Screening. COMPHIBGRU THREE cardholders are required to screen all requirements from the statutory sources of supply (e.g., JWOD/UNICOR). In addition, the screening must be documented on manual or automated logs.

c. Solicitation and Award Procedures.

(1) Solicitation Procedures. COMPHIBGRU THREE cardholders are authorized to use the purchase card either over-the-counter, or over-the-phone,

NOV 21 2006

or via the Internet - the APC will allow either one or all methods; method(s) allowed will be specified on the cardholders LOA or SF 1402. Quotations of price and delivery for mission requirements shall be obtained from contractors and documented in the manual or automated log.

(2) Award Procedures. COMPHIBGRU THREE cardholders shall only award purchase card orders to responsible contractors who offer fair and reasonable prices. In addition, all purchase card awards shall be documented on the cardholders' logs (either manual or automated).

(3) Oral Purchase Procedures. "Oral Procedure," as used in this instruction, means a procedure where an order is placed or a purchase is made through an oral agreement, which is made in person or by telephone. There are no written purchase orders or contracts issued by the Government. The vendor provides the supplies and payment is made using the Government-wide Commercial Purchase Card.

(a) Oral procedures may be used to acquire supplies that can be described in sufficient detail so that the parties to the agreement have a clear understanding of what is being acquired.

(b) When placing a telephone order to be paid using the Government-wide Commercial Purchase Card, the cardholder shall:

1. Notify the vendor that the purchase is tax exempt;
2. Confirm that the vendor agrees to charge the purchase card when shipping is made so that receipt of the supplies may be certified on the monthly statement of account;
3. Instruct the vendor to include the following information on the shipping document or packing slip if required. This information will alert the receiving officer and the requestor that the supplies have been acquired with the purchase card;
  4. Name and address of supplier;
  5. Cardholder's name, telephone number, and office symbol;
  6. Building number, room, street address, city, and state;
  7. Date of order;
  8. Requisition number/order number;
  9. Date of delivery or shipment;
  10. Itemized list of supplies furnished, including quantity;
  11. The term "Purchase Card".

d. Receipt and Acceptance Procedures. COMPHIBGRU THREE cardholders are responsible for verifying receipt of all transactions. Where the purchase cardholder is billed, but does not receive the supplies or services at the time of the receipt of the official invoice, the cardholder must fully certify the invoice with the anticipation that confirmation of receipt will occur within the next billing cycle.

**NOV 21 2006**

If the supplies or services are not received within the next billing cycle, the cardholder must dispute the item using established dispute procedures. The cardholder must also certify that the quantity and quality of the items furnished are in accordance with the agreement with the vendor. The cardholder must save all receipt documentation in order to properly reconcile the purchase card statement at the end of the billing cycle.

(1) If receipt documentation is not available, the cardholder must contact the end user, central receiving department or other person or persons responsible for receipt to obtain verification that the supplies or services have been received. The purchase card log or purchase file must be documented to indicate that proper receipt and acceptance has been accomplished.

(2) In order to protect the integrity of the process, a minimum two-way separation of functions is required when using the purchase card (i.e., one person making the purchase, while the other accepts and receives the supplies or services).

(3) Normally, the cardholder will conduct the purchase with the intention that the final receipt will be made by the end-user or designated representative at the central receiving area. However, not all receipt of materials and services can be made at the central receiving area. The following situations require special receipt and acceptance procedures:

(a) If the transaction is a government pick-up where the contractor requires the cardholder to pick up the material at the contractor's location, the end-user or designated receiving personnel will accompany the cardholder to the contractor's location to sign for final receipt.

(b) If the cardholder is the user, another designated individual (non-cardholder) must sign the receipt.

e. Documentation. Any time a transaction is made using the card, whether it is done over-the-counter, by telephone, or via the Internet, a document shall be retained as proof of purchase (enclosure 6). These documents shall later be used to verify the transactions on the cardholder monthly statement.

(1) When a transaction is made over-the-counter, the cardholder shall obtain the customer copy of the charge slip, which shall become the accountable document (make sure all carbons are destroyed).

(2) When making transactions by phone, the cardholder shall document the transaction on a log (enclosure 1) and attach any shipping documents associated with the transaction.

(3) Folders for each month of purchases (DON billing cycle runs 22<sup>nd</sup> of each month through 21<sup>st</sup> of next month) will be created. File documentation for each order (worksheet, proof of purchase, evidence of receipt, miscellaneous) should be stapled together in the folder.

(4) The cardholder will make entries of each order on a Monthly Credit Card Purchase Log (enclosure 1). They need to maintain a monthly running balance to ensure monthly limit is not exceeded.

f. Contractor Reports. CITIBANK will provide and distribute three monthly documents within 5 working days after the end of the 30-day billing cycle.

**NOV 21 2006**

(1) Cardholder Statement of Account - all purchases, credits, and other transaction data that the cardholder has made in the monthly billing cycle.

(2) Approving Official Account Summary - a record of all cardholder activity for which they have approving authority and a summary sheet for the current cycle.

(3) Finance Office Official Invoice - The official invoice provides summary data for each cardholder and approving official.

g. Missing Documentation. If for some reason the cardholder does not have documentation of the transaction to send to the AO, they must attach an explanation that includes a description of the item, the date purchased, the merchant's name, and why there is no supporting documentation.

h. Reconciling Purchase Card Accounts.

(1) Purchase Cardholders. COMPHIBGRU THREE cardholders shall at the end of each billing cycle (the 21<sup>st</sup> of the month for DON cardholders) reconcile the transactions appearing on their monthly statements by certifying their accuracy against cardholder records. The cardholder shall review all information on the monthly statement, verifying any changes, credits, outstanding disputes or refunds within five (5) days of receipt. If the cardholder fails to review the monthly statement, including annotating any discrepancies, disputing improper charges, or signing and forwarding it to the AO within the five-day period, the AO shall presume that all charges are proper and certify the monthly invoice for payment. The cardholder is ultimately responsible for purchase card transactions being proper and for notifying the AO of any information he/she has knowledge of that impact on the propriety of certifying the monthly invoice for payment. If transactions of credits are not included on the current statement the cardholder must retain the applicable documentation until the transactions or credit appears and can be reconciled. The cardholder must then sign the monthly Purchase Card Certification Statement (enclosure 10) and forward the package to their AO or alternate. If the cardholder is unable to review their statement in a timely manner, the AO or alternate or APC must review and certify the cardholder's statement. The cardholder, upon their return, must review the monthly statement and resolve any discrepancies with the AO or APC. After which, he/she must sign the monthly Purchase Card Certification Statement.

(2) AO. The COMPHIBGRU THREE AO, unless otherwise specified, shall be the Certifying Officer for his/her cardholder's monthly invoice. The AO/Certifying Officer is responsible for ensuring that all purchases made by the cardholders within his/her cognizance were appropriate and the charges accurate. He/she must resolve all questionable purchases with the cardholder. In the event an unauthorized purchase is detected, the AO must notify the APC and other appropriate personnel with command in accordance with the command IOP. After review, the AO/Certifying Officer shall sign the monthly Purchase Card Certification Statement and maintain the documentation in accordance with agency procedures. In addition, the AO is also responsible for certifying the monthly invoice resulting from the purchase/transactions of the cardholders within his/her account structure. The AO is responsible for reviewing and certifying the monthly purchase card invoice within five (5) days of receipt from the cardholder and forwarding it to the appropriate OPLOC or billing office. As the Certifying Officer, the AO is responsible for timely certification of the monthly invoice. The AO is to presume that all transactions on the monthly statement are proper unless notified in writing by the purchase cardholder within five (5) days from the cardholder's receipt of their monthly



**NOV 21 2006**

statement. The presumption does not relieve the AO from reviewing for blatant improper purchase card transactions and taking appropriate action prior to certifying the invoice for payment.

9. Restrictions on the Use of the Purchase Card. Before making any purchase, the List of Items Requiring Special Attention (enclosure 5) must be screened to determine if the purchase is appropriate or has special approvals and/or restrictions. The card may not be used for the following:

- a. Cash advances (not permitted under any circumstances).
- b. Rental or lease of land or buildings.
- c. Telecommunications (telephone) services.
- d. Gasoline or oil for Department of the Navy-owned aircraft, vessels, and vehicles unless the requirement falls within the following criteria:
  - (1) CONUS/Alaska - less than 10,000 gallons required annually;
  - (2) OCONUS/Hawaii - less than 20,000 gallons required annually.
- e. Rental or lease of motor vehicles, whether or not on official travel (does not apply to overseas locations where local government procurement authority is unavailable).
- f. Repair of General Service Administration (GSA) leased vehicles.
- g. Expenses associated with official travel including transportation, lodging, or meals (this prohibition does not include such items as conference room rental).

10. Unauthorized Use of a Card. COMPHIBGRU THREE shall not be liable for any unauthorized use of the Government-wide Commercial Purchase Card. A cardholder that makes unauthorized purchases or carelessly uses the card may be liable to COMPHIBGRU THREE for the total dollar amount of unauthorized purchases made in connection with the misuse or negligence. Also, the cardholder may be subject to disciplinary action for unauthorized or careless use as per the UCMJ and Title 12, Code of Federal Regulations. "Unauthorized use" also means the use of a purchase card by any person other than the cardholder whose name appears on the credit card. COMPHIBGRU THREE shall be liable for use of the Government-wide Commercial Purchase Card by authorized users (cardholders).

11. Lost or Stolen Cards.

a. Telephone Notification. If the card is lost or stolen, the COMPHIBGRU THREE cardholder must immediately notify CITIBANK at one of the following phone numbers. These phones are manned 24 hours per day.

- (1) Inside of CONUS call: 1-800-790-7206
- (2) Outside of CONUS call collect: 1-904-954-7850

b. Written Notification. In addition, on the next working day the cardholder must notify the APC or his/her AO. The notification shall include the following information;

**NOV 21 2006**

- (1) The card number;
- (2) The cardholder's complete name;
- (3) The date and location of the loss;
- (4) If stolen, date reported to police and the date and time CITIBANK was notified;
- (5) Any purchase made on the day card was lost or stolen;
- (6) Any other pertinent information.

c. Card Replacement. CITIBANK will mail a replacement card within 1 business day (or 2 business days if outside CONUS) of reported loss. A card that is subsequently found by the cardholder after being reported lost or stolen shall be given to the APC who will then destroy it immediately. The APC shall notify CITIBANK that the card has been destroyed.

12. Separation of Cardholder. Upon separation from COMPHIBGRU THREE, the cardholder will notify his/her AO of the expected date of leaving. In addition, and prior to final signing out from COMPHIBGRU THREE, the cardholder must surrender the card to the APC or Assistant APC. The APC or Assistant APC shall notify CITIBANK immediately to cancel the account.

13. Billing Errors and Disputes. Cardholders should attempt to resolve all discrepancies or billing errors with the local merchant first.

a. Disputed Items. If a cardholder receives a statement that lists a transaction for merchandise that has not been received, or a transaction which includes an unauthorized charge, he/she should do the following;

(1) Under Pay and Confirm Procedures, pay the invoice in full in anticipation the supplies will be received within the next billing cycle. If the supplies are not received, the purchase cardholder will dispute the item using established dispute procedures.

(2) If the charges are not authorized or items have not been shipped, the purchase cardholder must dispute the charges. All charges must be disputed within 60 days of the receipt of the invoice on which the charge first appeared.

(3) The cardholder (or AO) must notify the Dispute Office contact and complete the Government Cardholder Dispute Form. CITIBANK will credit the transaction until the dispute is resolved. In addition, a copy of the form must be attached to the cardholder's monthly statement and sent to the appropriate Designated Billing Office.

b. Defective Items. If items purchased with the card are found to be defective, the cardholder has the responsibility to obtain a replacement or correction of the item as soon as possible. If the merchant refuses to replace or correct the faulty item, the cardholder must put the item in dispute. Items in dispute are handled in the same manner as billing errors.

14. Card Security. COMPHIBGRU THREE cardholders are responsible for the security of their purchase cards. The unique CITIBANK Government Purchase Card Master Card that the cardholder receives has their name embossed on it and may be used for ordering, only by that person. The card was specially designed showing the seal of the U.S.

**NOV 21 2006**

and the words "United States of America" imprinted on it to avoid being mistaken for a personal credit card. It is the cardholder's responsibility to safeguard the credit card and account number at all times. The cardholder must not allow anyone to use their card or account number. They can authorize a non-cardholder to pickup material, with a Bearer Walk-Thru form (enclosure 7) however, the order can only be placed by the cardholder. A violation of trust shall require that the card be withdrawn from the cardholder with the possibility of subsequent disciplinary action.

15. Standards of Conduct/Ethics Training.

a. All COMPHIBGRU THREE AO's and cardholders will receive ethics and standards of conduct training in accordance with command policy prior to assuming their duties with the COMPHIBGRU THREE purchase card program.

b. All COMPHIBGRU THREE AO's and cardholders hold a public trust; their conduct must meet the highest ethical standard. All COMPHIBGRU THREE cardholders shall only use their purchase cards to obtain supplies and services that are for official government business.

c. AOs and cardholders acknowledge that making false statements on purchase card records may provide support for disciplinary action deemed necessary under the UCMJ. The government may punish wrong doers by fine, imprisonment, or both, as stated in Section 1001, Title 18, United States Code. Unauthorized use shall have the meaning as set forth in footnote 22, Section 226.12, Title 12, Code of Federal Regulations.

"Unauthorized use" means the use of a purchase card by any person other than the cardholder whose name appears on the purchase card. "Unauthorized use" also means use of a purchase card by a contracting officer who exceeds their delegation of authority.



W. L. TOWNS  
Chief of Staff

Distribution:

Electronic copy only via CPG3 website. <http://www.cpg3.navy.mil>

PURCHASE CARD LOG FOR: \_\_\_\_\_ MONTH/YR: \_\_\_\_\_ PAGE \_\_\_\_\_ OF \_\_\_\_\_.

[illegible]

Encl (1)

4200  
Ser

MEMORANDUM

From: Commander, Amphibious Group THREE  
To: CDR Pierre C. Coulombe, SC, USN, XXX-XX-3248  
Subj: APPOINTMENT AS AN AGENCY PROGRAM COORDINATOR  
DELEGATION OF AUTHORITY TO FURTHER DELEGATE PC AUTHORITY  
Ref: (a) FAR 1.6  
(b) DFAR 201.6  
(c) NAVSUPINST 4200.99 (series)  
(d) COMPHIBGRUINST 4200.94

1. Per references (a) through (d), you are hereby appointed as an Agency Program Coordinator (APC) for the Government Commercial Purchase Card (GCPC). The specific limits of your authority are established below. You are reminded that you are personally accountable for strict adherence to the Department of the Navy (DON) purchase card policies and procedures.

a. Delegation of Purchase Card authority to Cardholders (CHs) and/or Approving Officials (AOs).

b. Dollar threshold assignment to CHs and/or AOs.

c. Transaction type/purchase method assignment to CHs and/or AOs.

d. Assignment of purchase restrictions: (MCC Blocks, etc.).

2. The purchase card shall only be used for authorized United States (U.S.) Government purchases. Intentional use of the purchase card for other than official government business will be considered an attempt to commit fraud against the U.S. Government and may result in immediate cancellation of an individuals purchase card and further disciplinary action. You will be held personally liable to the Government for the amount of any non-government transactions. Under 18 U.S.C. 287, misuse of the purchase card could result in a fine of not more than \$10,000 or imprisonment for not more than five years of both. Military members that misuse the purchase card may be subject to court martial under 10 U.S.C. 932, UCMJ Article 32.

3. Improper, fraudulent, abusive or negligent use of the government purchase card is prohibited. Supervisors who receive

Encl (2)

information indicating that an employee (military or civilian) has engaged in any fraud, misuse or abuse of a purchase card shall take appropriate corrective action as defined with the activity internal operating procedures. Your signature on this letter indicates that you have read and understand that policy.

4. When you leave the command and/or are no longer part of the Purchase Card Program, this letter of delegation is cancelled.

W. L. TOWNS  
Chief of Staff

Acknowledgment:

I have reviewed, understand and concur with my responsibilities in connection with the Government-wide Commercial Purchase Card Program for COMPHIBGRU THREE.

P. C. COULOMBE, CDR, SC, USN

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

Copy to:  
Services Record

4200  
Ser

MEMORANDUM

From: Commander, Amphibious Group THREE  
To: SKC(SW) Roberto G. Bernardino, USN, XXX-XX-1857  
Subj: DELEGATION OF AUTHORITY TO USE THE GOVERNMENT PURCHASE  
CARD AS APPROVING OFFICIAL (AO)  
Ref: (a) FAR 1.6  
(b) DFAR 201.6  
(c) NAVSUPINST 4200.99 (series)  
(d) COMPHIBGRUINST 4200.94

1. Per references (a) through (d), you are hereby appointed a contracting officer for the United States of America, limited use of the Government Commercial Purchase Card (GCPC). The specific limits of your authority are established below. You are reminded that you are personally accountable for strict adherence to the Department of the Navy (DON) Purchase Card policies and procedures.

2. In addition to the responsibilities provided by reference (a) through (d), you shall be the conduit between the APC and the cardholders under your purview. You shall ensure proper dissemination of information regarding program changes and cardholders' ability to use their cards. As the AO, you are required to review and verify the monthly purchase card statements of the cardholder(s) under your purview and verify that all purchases were necessary and for official government purposes. You are additionally required to certify the monthly billing statement (the official invoice) within five working days of receipt and forward it to the appropriate office for payment.

3. The purchase card shall only be used for authorized United States (U.S.) Government purchases. Intentional use of the purchase card for other than official government business will be considered an attempt to commit fraud against the U.S. Government and may result in immediate cancellation of an individuals purchase card and further disciplinary action. You

will be held personally liable to the Government for the amount of any non-government transactions. Under 18 U.S.C. 287, misuse of the purchase card could result in a fine of not more than \$10,000 or imprisonment for not more than five years or both. Military members that misuse the purchase card may be subject to court martial under 10 U.S.C. 932, UCMJ Article 32.

3. Improper, fraudulent, abusive or negligent use of the government purchase card is prohibited. Supervisors who receive information indicating that an employee (military or civilian) has engaged in any fraud, misuse or abuse of a purchase card shall take appropriate corrective action as defined with the activity internal operating procedures. Your signature on this letter indicates that you have read and understand that policy.

4. When you leave the command and/or are no longer part of the Purchase Card Program, this letter of delegation is cancelled.

W. L. TOWNS  
Chief of Staff

Acknowledgment:

I have reviewed, understand and concur with my responsibilities in connection with the Government-wide Commercial Purchase Card Program for COMPHIBGRU THREE.

R. G. BERNARDINO, SKC(SW), USN

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature



4200

Ser

MEMORANDUM

From: Commander, Amphibious Group THREE  
To: SK2(SW) Anissa N. Nauth, USN, XXX-XX-7740  
Subj: DELEGATION OF AUTHORITY TO USE THE GOVERNMENT PURCHASE  
CARD AS APPROVING OFFICIAL (AO)  
Ref: (a) FAR 1.6  
(b) DFAR 201.6  
(c) NAVSUPINST 4200.99 (series)  
(d) COMPHIBGRUINST 4200.94

1. Per references (a) through (d), you are hereby appointed a contracting officer for the United States of America, limited use of the Government Commercial Purchase Card (GCPC). The specific limits of your authority are established below. You are reminded that you are personally accountable for strict adherence to the Department of the Navy (DON) Purchase Card policies and procedures.

a. Dollar Thresholds:

(1) Purchase

- a. Not to exceed \$2,500 single purchase limit
- b. Not to exceed \$25,000 monthly purchase limit

(2) Method of Payment

- a. Not to exceed \$25,000 single purchase limit
- b. Not to exceed \$50,000 monthly purchase limit

b. Authorized transaction types:

- (1) Over the counter
- (2) Telephone orders
- (3) Internet orders

c. Authorized purchases are:

- (1) Stand-alone procurement method,
- (2) Method of payment against contract documents issued by a Contracting Officer,
- (3) Orders against Government contracts, such as IDIQs, GSA, FSS Schedules/GSA Advantage, JWOD, and FISC San Diego's Virtual Servmart,
- (4) Document Automation and Production Service (DAPS)
- (5) Blanket Purchase Agreements (BPAs)/ Letter of Agreement (LOA), and
- (6) Purchase of training (DD 1556)

2. Purchase Cardholder Duties:

- a. Ensure proper & adequate funding is available prior to any purchase card action.
- b. Screen all requirements for their availability from the mandatory Government sources of supply.
- c. Purchase only mission essential requirements at fair and reasonable prices from responsible suppliers.
- d. Maintain either a manual or automated log that documents individual transactions and screening for mandatory sources of supply. The purchase card log and supporting documentation should provide an audit trail supporting the decision to use the card and any required special approvals that were obtained.
- e. Review the monthly purchase card statement to ensure that all charges are proper and accurate.
- f. Forward the monthly purchase card statement to the AO with the appropriate supporting documentation, (i.e., sales slips, documentation of receipt and acceptance, purchase log, etc.) in a timely manner to maximize rebates and minimize prompt payment penalties
- g. Follow the appropriate procedures for 'pay and confirm' and/or disputes, as described in the Purchase Card Desk Guide.

3. The purchase card shall only be used for authorized United States (U.S.) Government purchases. Intentional use of the purchase card for other than official government business will be considered an attempt to commit fraud against the U.S. Government and may result in immediate cancellation of an

individuals purchase card and further disciplinary action. You will be held personally liable to the Government for the amount of any non-government transactions. Under 18 U.S.C. 287, misuse of the purchase card could result in a fine of not more than \$10,000 or imprisonment for not more than five years or both. Military members that misuse the purchase card may be subject to court martial under 10 U.S.C. 932, UCMJ Article 32.

4. Improper, fraudulent, abusive or negligent use of the government purchase card is prohibited. Supervisors who receive information indicating that an employee (military or civilian) has engaged in any fraud, misuse or abuse of a purchase card shall take appropriate corrective action as defined with the activity internal operating procedures. Your signature on this letter indicates that you have read and understand that policy.

5. When you leave the command and/or are no longer part of the Purchase Card Program, this letter of delegation is cancelled.

W. L. TOWNS  
Chief of Staff

Acknowledgment:

I have reviewed, understand and concur with my responsibilities in connection with the Government-wide Commercial Purchase Card Program for COMPHIBGRU THREE.

A. N. NAUTH, SK2(SW), USN

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

LIST OF PROHIBITED  
AND  
SPECIAL ATTENTION ITEMS

LIST OF PROHIBITED AND SPECIAL ATTENTION ITEMS RELATED TO  
PURCHASE CARD BUYS

**Advance Payments**

**General rule:** Except for requirements such as subscriptions for publications (i.e. Navy Times, Federal Contracts Reporter, Commercial Clearing House Inc, etc.) and post office box rentals advance payments are prohibited.

**Advertising**

**General rule:** Unless specific approvals have been obtained advertising contract actions are not authorized in accordance with the Navy Acquisition Procedures Supplement (NAPS).

**Exception:** The Chief of Naval Personnel has authorized an increase from \$1,000 to \$2,500 for the specific media advertising purchase limit for Commanding Officers of Navy Recruiting Districts to commensurate with the current micropurchase threshold. This authority can not be redelegated and each advertisement is conditioned upon the use of a properly executed DD Form 1535.

**Asbestos and Asbestos-Containing Materials**

**General rule:** Purchase cardholders are not authorized to purchase asbestos or asbestos-containing materials.

**Black Oxide Coated Brass Threaded Fasteners**

**General rule:** Purchase cardholders are not authorized to procure brass or copper alloy fasteners coated with black oxide. For information regarding this prohibition contact Mr. Scott Stanko, Naval Inventory Control Point, Code 0541, at 717-605-1361; DSN 430-1361 or via Internet: scott\_a\_stanko@icpmach.navy.mil.

**Buildings and/or Land, Long-Term Rental or Lease of**

**General rule:** Purchase cardholders are prohibited from entering into long-term rentals or leases for buildings and/or land.

**Business Cards**

**General rule:** Flag Officers, member of the SES and general officers may authorize the printing of business cards limited to using existing software and agency-purchased stock for those positions that require business cards in the performance of official duties.

**Cash Advances**

**General rule:** Purchase cardholders are prohibited from

using their purchase cards to obtain cash advances.

**Christmas and Other Seasonal Decorations.**

**General rule:** Seasonal decorations may be acquired using the purchase card provided local customs and traditions are observed. Purchase cardholders are not authorized to buy Christmas cards.

**Coffee Pots, Coffee, Refreshments**

**General rule:** Unless the purchase of coffee pots, coffee, or refreshments is for an authorized mess, as discussed in NAVSUP Publication 486 Vol-1, Ch1 to Rev 3, and BUPERINST 1710.13 the purchase of these items are prohibited. Purchase cardholders are also prohibited from buying refreshments for other government employees.

**Exceptions:** The use of Official Representation Funds for official entertainment and Center of Influence events involving Navy recruiters are exceptions to this rule. In addition, Navy recruiters are authorized to use the purchase card to buy meals for recruiting applicants as an out of pocket expense.

**Commercial Vehicles, Purchase of**

**General rule:** Purchase cardholders shall not use their cards to purchase commercial vehicles.

**Commercial or GSA Vehicles, RENTAL/LEASE of (Without Drivers)**

**General rule:** Purchase cardholders are not authorized to use their purchase cards to rent/lease commercial or GSA vehicles.

**Employee Identification Tags**

**General rule:** Unless the requiring activity/command determines that use of the identification tags are necessary and in support of mission requirements, activities may not use appropriated funds to purchase employee identification tags.

**Federal Information Processing Resources/Year 2000 (Y2K) Project**

**General rule:** Purchase cardholders should ensure all procurements of IT are Y2K compliant.

**Fireworks Display**

**General rule:** Purchase cardholders may not use appropriated funds to buy fireworks for on ground displays.

**Fuel, Oil, Services, Maintenance and Repairs**

**General rule:** Purchase cardholders are not authorized to purchase fuel, oil, services, maintenance and repairs of Interagency Fleet Management System and GSA Fleet Management Programs (i.e. repair of GSA leased vehicles).

**HAZMAT and Hazardous Waste Disposal**

**General rule:** Except for commonly-used hazardous material the purchase of HAZMAT by cardholders is prohibited.

#### **Incentive Music and Equipment**

**General rule:** Except for specifically programmed music, the purchase of music and equipment for broadcasting (inc. radios, automatic record players or phonographic records) for entertainment purposes is generally not authorized.

**Exception:** Specifically programmed music may be purchased based on a written determination by the commanding officer describing how the acquisition would improve morale, benefit the command, etc., and thereby qualify as a necessary expense under the necessary expense rules. This prohibition also does not preclude the expenditure of appropriated funds for the purchase of a public address system required for intra-station communication.

#### **Lodging and Meals**

**General rule:** Purchase cardholders are prohibited from using their purchase cards for the payment of lodging and meals for employees on temporary duty.

**Exception:** Certain reserve activities are authorized to buy meals for Naval reservists during drill activities.

#### **Luggage**

**General rule:** The purchase of luggage for employees/service members to carry personal belongings while on travel orders is generally not authorized.

**Exception:** Seabags issued to service members and briefcases, etc., furnished for the express purpose of carrying official documents associated with the duties of the service member or employee.

#### **Medical and Dental Care From Civilian Non-Federal Sources**

**General rule:** Purchase cardholders shall not use their cards for payment of medical and dental services.

#### **Membership Dues**

**General rule:** Except for membership dues which solely benefit the agency or activity the purchase of club, association, organization and other related memberships are prohibited.

**Exception:** The use of appropriated funds for membership dues of an activity or agency is permissible if the membership contributes to the fulfillment of the mission of the activity or agency.

#### **Ozone Depleting Substances (ODS)**

**General rule:** Purchase cardholders are not authorized to purchase ODS materials.

**Exception:** Contracting Officer's may use their purchase card as a method of payment provided guidance in the NAPS is strictly

adhered to.

#### **Personal Services**

**General rule:** Unless you have statutory authority purchase cardholders should not contract for personal services using the purchase card.

#### **Pesticides**

**General rule:** Unless prior approvals are obtained from cognizant Pest Management Consultant at the appropriate NAVFAC division, purchase cardholders are not authorized to contract for purchase of pesticides.

#### **Plaques, Ashtrays, Paperweights and other Mementos As Give-Away Items**

**General rule:** The use of appropriated funds to buy give-away items such as plaques, cuff links, hats, T-shirts, license plate covers, bracelets, ashtrays, Christmas cards, paper-weights, cigarette lighters, novelty trash cans, key chains and similar items are generally prohibited.

**Exception:** The purchase of give-away items in support of employee recognition programs may be authorized if accomplished in accordance with agency policy.

#### **Printing and Duplication**

**General rule:** Purchase cardholders are prohibited from buying printing or duplication services from agencies other than DAPS.

#### **Purchase from Government Employees or Businesses Owned or Controlled By Government Employees**

**General rule:** Purchases from government employees (military or civilian) or from business organizations substantially owned or controlled by government employees are generally prohibited.

#### **Reprographic Equipment**

**General rule:** The purchase/lease/rental/trial/replacement or change in rental or lease plan of reprographic equipment is not authorized unless the requestor has complied with the requirements of the Navy Reprographic Equipment Program. The requestor must obtain written approval from the cognizant DAPS for all shore copying equipment with speeds of 71 or more copies per minute. (Examples of reprographic equipment are; copiers and high speed copiers, Diazo process equipment, laser printers, and duplicating equipment).

#### **Sensitive Compartmented Information In Contracts**

**General rule:** Purchase cardholders are not authorized to enter into negotiations that will include requirements for contractor access to Sensitive Compartmented Information unless the customer has staffed the requirement through Commander, Office of Naval Intelligence, Code ONI-532.

**Shipboard Habitability Equipment, Including Furniture,  
Laundry/Dry Cleaning and Food Service Equipment**

**General rule:** Except for furniture, laundry, dry cleaning, and food service equipment listed in the following catalogs purchase cardholders are prohibited from purchasing of these items.

Furniture equipment - S9600-AD-GTP-010, U.S. Navy Shipboard Furniture Catalog with applicable changes.

Laundry/dry cleaning equipment - S6152-B1-CAT-010, Navy Laundry and Dry Cleaning Catalog with applicable changes.

Food service equipment - S6161-Q5-CAT-010, The Shipboard Food Service Equipment Catalog with applicable changes.

**Transportation, Purchase of**

**General rule:** The purchase card can not be used to pay for transportation charges.

**Travel, or Travel Related Expenses**

**General rule:** The purchase card can not be used to pay for travel or travel related expenses (i.e. expenses associated with official travel including transportation, lodging, or meals).

**Uniform Items**

**General rule:** Cardholders are not authorized to use appropriated funds to purchase uniform items.

**Visual Information (VI) Equipment and Material**

**General rule:** Per OPNAVINST 5290.1A, Acquisition of professional VI equipment by non-VI activities or personnel is prohibited.

Naval Media Center (NMC) (formerly Naval Imaging Command) is the sole authority for contracting for visual information within the Navy. The POC and policy officer for the Navy Annual VI Production Program administered by Chief of Naval Operations (CNO) (N09C4) can be reached by calling 202-433-3790 or DSN 288-3790.

**Visual Information-Audiovisual Production Including Interactive Video Acquisition**

**General rule:** Unless approval has been granted from NMC the acquisition of Audiovisual production including interactive video in the federal Government is prohibited, regardless of cost or application.

**Exceptions:** DON activities may be approved by CNO (N09C4) on a case-by-case basis. Requests for exceptions to this policy will require submission of the approved instructional system development analysis. For major claimant Visual Information Management Offices contact: Visual Information Production Policy Officer, CNO (N09C4) at 202-433-2141; DSN 288-2141.

**Visual Information-Acquisition of Commercial Off-The-Shelf Visual Information Productions**



**General rule:** Unless prior approval from Visual Information Management Office is obtained purchase cardholders are not authorized to procure commercial off-the-shelf VI production. For a list of VI off-the-shelf productions visit the Defense Automated Visual Information System/Defense Instructional Technology Information System (DAVIS/DITIS) located on the Naval Media Centers website: <http://www.mediacen.navy.mil/>.

**Exceptions:** Justification must be submitted to contracting officials in accordance with regulations of the Major Claimant Visual Information Management Office. For major claimant Visual Information Management Offices contact: Visual Information Production Policy Officer, CNO (N09C4) at 202-433-2141; DSN 288-2141.

**Withdrawal of Tax-free Ethyl and Specifically Denatured Alcohol**

**General rule:** The purchase of tax-free ethyl and specifically denatured alcohol is not authorized unless a permit from the Bureau of Alcohol, Tobacco and Firearms has been issued.



## BEARER WALK-THRU AND MATERIAL PICK-UP

### INSTRUCTIONS

#### CREDIT CARD PURCHASE

---

1. The material you are about to pick up was purchased using a Government Credit Card. You are accountable and responsible to follow the instructions herein. If you choose not to comply with these instructions, an alternate purchase method will be used to complete the purchase.

Requisition Number (s): \_\_\_\_\_

Vendor name: \_\_\_\_\_

Vendor Address: \_\_\_\_\_

Vendor Phone: \_\_\_\_\_

Cardholder's name/Phone Number: \_\_\_\_\_

**\*\*See Attached Itemized List of Material to Pick up.**

2. Sign the cardholder's log acknowledging receipt of walk-thru papers and this instruction sheet.
3. Proceed to vendor's place of business.
4. Pick up material. NOTE: Do not accept or negotiate any variations or changes to this purchase with the vendor. You will be financially liable for any unauthorized changes not approved by the cardholder. Contact the cardholder at the phone number above if there are any questions or discrepancies.
5. Pick up invoice/packing list, bankcard slip (be sure to destroy all carbon copies, if any), and /or sales receipt, if applicable. Make sure that the sales tax has not been charged and verify part number and quantity are correct. Do not sign any paperwork if there is any question or discrepancy with the order. Contact the cardholder before accepting material.

Return to the command and give the invoice/packing list, bankcard slip, and/or sales receipt to the cardholder.

6. By your signature here, you understand what is required of you and agree to all conditions herein.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name